



HOT **TOPICS**

WINTER 2001

CURRENT ISSUES FOR ARMY LEADERS

Budgeting Your Dreams

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MONEY shapes our lives. Its possession gives a sense of security, while the lack of it fuels our fear of the future. Though not an essential like food, clothing and shelter, money furnishes our material needs. Fortunately, we live in prosperous times that allow our "needs" to extend beyond the necessities—we want what we want when we want it.

This issue of **Hot Topics** comes just after the holidays, when credit tempted many of us to give in to our impulses with the lure of "buy now, pay later." According to Army Regulation 600-15, "Indebtedness of Military Personnel," soldiers are responsible for managing their financial affairs and promptly paying debts. Yet, as leaders, we recognize and admit that some of our soldiers have financial obligations that exceed their paychecks.

Budgeting money can be challenging regardless of income, and is affected by such things as high costs of living, deployments, growing families and the loss of spouses' income upon changes of station. Perhaps you have already heard about the new Army Well-Being Program. Through it, leaders aim to refine soldiers' standard of living with competitive pay and benefits, which will help them obtain economic stability.

On an individual level, leaders should inquire about soldiers' financial states, thereby fostering healthy, mentoring relationships in which unit members feel at ease discussing hardships and become more likely to seek the advice of financial experts. This issue of **Hot Topics** was written to help you gauge soldiers' needs and supportively guide them on a very personal issue. By helping them toward financial growth, we improve soldiers' overall well-being. For that, our reward is an alert, ready force.



MG L. D. Gottardi
CHIEF OF PUBLIC AFFAIRS

Credits

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Making Smart Choices

ACHIEVING our retirement dreams depends on the decisions we make today. Regardless of our aspirations, now is the time to question how cleverly we budget our money and how faithfully we save.

“We have to stop thinking about what we want today and start thinking about what we want for tomorrow,” said Mildred S. Quinones, manager of the Consumer Affairs and Financial Assistance Program at the Soldiers and Family Support Center at Fort Belvoir, Va. As mentors, leaders have an encouraging touch that can help soldiers realize the value of cultivating their financial futures. Be the sort of leader you would like to have: Share advice that can turn tomorrow into a prosperous future.

Where Do You Stand?



IN today's age of instant gratification and multiplying millionaires, the mouth waters for fancy cars, fashionably designed homes and the latest trinkets. Peer pressure drives us crazy with desire, and credit eliminates the need to plan ahead for major purchases. But the fact is, if we can't afford it today we probably can't afford it tomorrow.

As if societal influences were not enough, the economic well-being of soldiers is further challenged by frequent change. Whether it's being assigned to high-cost areas, lengthy deployments or the need to take care of a family, soldiers shoulder a heavy responsibility. Among newly enlisted soldiers, 26 percent are married. Some of them enter military service with past debt, and others acquire it in the course of their careers.

While almost everyone faces an occasional setback or emergency, long-term financial problems often emerge from a lack of planning, said Mildred S. Quinones, manager of the Consumer Affairs and Financial Assistance Program at the Soldier and Family Support Center at Fort Belvoir, Va. She teaches her customers to be proactive, save money for the unexpected, prepare for major purchases and shop around for the best deals.

"There comes a time when a

person has to ask: 'Why am I always broke?' The answer to this question usually comes from a lack of planning ahead," she said, comparing money management to marriage counseling, both of which she said need reassessments and honest effort. "We have to be smart consumers and think about what we want out of life. We can't have everything now. We have to make choices."

Despite soldiers' genuine desire to be financially stable, some soldiers are burdened beyond their means, said Isaac Templeton Jr., manager of the Army's Consumer Affairs and Financial Assistance Program.

"Commanders know how much money young families make, and they know how much rent costs in that particular area," he said. "The first duty station is usually the first time new soldiers have ever received a paycheck, and they have the financial responsibility of taking care of themselves and their families. If you look at how much young soldiers make and how much the necessities add up to, you'll see that there's not very much money left over."

With that in mind, the Army has developed a new yardstick with which to measure soldier

well-being. This framework encompasses the idea that the institutional needs of the Army cannot be met without also fulfilling soldiers' personal, physical and mental needs. According to LTC Steven Shively, chief of personnel readiness for the Office of the Deputy Chief of Staff for Personnel, the new Army Well-Being Program is the basis upon which leaders will ask Congress for higher pay and benefits. Goals include a closure of the pay gap between enlisted and officers, a dislocation allowance for soldiers reporting to their first duty stations, better housing and an increase in the basic housing allowance to eliminate out-of-pocket costs.

In light of these goals and the advice available from financial counselors at worldwide installations, Templeton said, soldiers should always keep the end of their military careers in mind.

"They should start planning for their transition, from the day they enter the Army, whether they want long careers or think they'll get out in a few years," he said. "They've got to ask themselves: 'What do I want to have when I leave?' For some, the answer is just getting out of debt, which puts money back into the pocket so they can start saving."

Consumer Affairs & Financial Assistance Program

THE Consumer Affairs and Financial Assistance Program helps soldiers and their families achieve successful economic lifestyles by teaching them to smartly manage their financial resources. With offices located on Army installations throughout the world, CAFAP provides advice and information about budget planning, banking, credit, debt management, consumer laws and rights, business scams, and preparing for deployments or permanent moves. CAFAP counselors also provide debt-liquidation services and encourage soldiers to shop around for credit and services that most affordably suit their needs.

Created in reaction to leaders' responsibility to guide soldiers through financial difficulty, CAFAP has evolved into a program that cultivates soldiers' economic stability and growth. Among CAFAP's more in-depth services is Personal Financial Readiness Training. This eight-lesson program spans from setting a budget to investing and making large purchases. It is mandatory for first-term soldiers but helpful to anyone reassessing their financial status.

Customer records reveal that soldiers' total indebtedness in 1999 was nearly \$37 million. CAFAP services helped reduce soldiers' debt by more than \$11 million.

Soldiers Receiving Consumer & Financial Services in 1999

CONSUMER SERVICES

One-time service		94,973
Ongoing service	E-1 through E-4	27,314
	E-5 through E-9	8,776
	Warrant officers	325
	Officers	1,367

DEBT LIQUIDATION

One-time service		20,409
Ongoing service	E-1 through E-4	14,019
	E-5 through E-9	5,702
	Warrant officers	127
	Officers	426

BUDGET COUNSELING

One-time service		95,500
Ongoing service	E-1 through E-4	31,795
	E-5 through E-9	13,068
	Warrant officers	306
	Officers	1,047

Plan Living On a

SOLDIERS don't need to be crawling out from under a heap of bills to have a reason to start budgeting their money. While sticking to a modest spending plan can seem constricting, it helps soldiers ensure that money is always available to meet their needs. It can even give soldiers a sense of empowerment, as it helps them keep their eyes on the goal of being financially secure rather than reminding them of what they can't spend today.

Monthly budgets should rely on several factors: how much money is earned, how much is needed to pay bills and satisfy needs, and how much should be saved. To create a budget that complements income, lifestyle and future goals, soldiers should gather copies of bills and pay statements. Write down the amount of monthly take-home pay at the top of a blank page and make separate columns for fixed monthly expenses, periodic fixed expenses and variable living expenses.

Fixed expenses account for such non-negotiable payments as rent or mortgage, car payments and loans. This category might also include child support, education and childcare. No matter how much one can afford to set aside, saving should be a priority like regular fixed expenses.

Periodic fixed expenses are necessary payments that typically occur ev-

ery three or six months. They might include car, life and homeowners' insurance.

Variable monthly living expenses are also important but often leave room for adjustments. They include groceries, utility fees, dining out, clothing, gas, transportation fares, parking fees, recreation and personal care.

Unexpected expenses include medical care, veterinary care, car maintenance, home repair, holidays and gifts. Both periodic and unexpected expenses can get messy if consumers don't prepare early by reserving a certain amount of money each month to cover them as they arise. Money should also be stashed away for emergencies.

To finish planning a budget, soldiers should add their monthly expenses to a monthly share of all the other categories. This shows how much money is needed to meet monthly expenses. If the amount is higher than monthly take-home pay, soldiers will need to adjust expenses, which is usually easiest to do in the living-expense column. For example, be thrifty by cooking meals at home or packing a lunch instead of eating in restaurants. Costs also can be cut by spending less money on habits and recreation, by using coupons and by comparison-shopping.

Consumer Alert

ADVANCE-FEE LOAN

SCAMS—Consumers who have trouble getting credit may be lured by advertisements for advance-fee loans. Companies advertising these services pretend to offer loans without considering the consumer's credit history, then ask for an up-front fee and never deliver the loan. Legitimate lenders usually do not require processing fees, although they may require appraisal and credit-report fees after applications are completed or approved.

PAYDAY LOANS—One of the most expensive ways of borrowing money is the payday loan, also known as cash-advance loans, check-advance loans, post-dated check loans and deferred-deposit check loans. Such loans offer the borrower a certain amount of money in exchange for a personal check written out for the borrowed amount in addition to a high borrowing fee. The lender agrees to not cash the check until the person's next payday. Instead, soldiers should consider applying for a small loan at the local credit union or at a small loan company. The important thing is to find a loan that poses the lowest cost of borrowing.

NO PAYMENTS, NO INTEREST—Although the "no payments, no interest for six months" offer can be tempting, soldiers should find out exactly what the statement means. In some cases, if the full amount is not paid by the end of this payment-free, interest-free period, consumers might owe interest from the date of the initial purchase.

Credit

Buy Now, Pay Later

USED wisely, credit can help consumers meet goals. It is helpful in making large purchases that would otherwise take years to save for, can help consumers benefit from sale prices when cash is low, and also allows one to pay for several purchases with a single check.

Credit has many different forms: layaway plans, charge accounts, credit cards, bank cards and loans. Young people may have difficulty obtaining credit because they have no established history that reveals how responsibly they handle money. Building good credit can be done in many ways. The intention should be to establish a pattern of borrowing and promptly paying — not to substitute credit as a second income. To create a good credit history, soldiers can:

- d Apply for a small loan at a bank and pay it back on time or early.
- d Buy something through a layaway program and pay it off quickly.
- d Apply for a credit card or charge account at a local store that reports credit-history information to credit bureaus. Charge several items and pay them off as soon as the bill arrives (remember that store credit cards almost always have a higher interest rate than other credit cards).
- d Spouses who share joint accounts should ask creditors to report credit-history information under both names.

Since credit gives one the chance to make purchases without immediately paying, soldiers should be disciplined in not abusing its convenience. Even as few as two or three purchases can take several months or a year to repay if the amounts are significantly higher than one's buying power.

One of the most important aspects of using credit is to shop around for the best deals, since credit agencies offer their services with varying annual percentage rates, annual fees, transaction fees and finance charges. Soldiers should know which fees will be included in monthly bills before accepting a charge card. The **annual percentage rate** is the cost of borrowing money at a yearly rate. Most creditors also charge **annual fees** just for providing the use of credit. Fees range from \$25 to \$75 depending on the credit limit and type of card. Some creditors also charge a **transaction fee** for cash advances, late payments and for going over the credit limit.

Finance charges vary widely. Some creditors offer a free period in which the consumer can pay the current balance in full before the due date without accruing a finance charge. Finance charges may be computed using the average daily balance, adjusted balance or previous balance. Each of these methods can create significantly varying finance charges if the balance is paid over time.



Getting Out *of* Hock

Credit counselors can help bring harassing, upsetting collection calls to a stop.

SOLDIERS who ignore their limits and habitually abuse credit might have to devote years to digging their way out of debt. On top of financial hardships, soldiers are subject to letters of reprimand, denial of re-enlistment, administrative separation and punishment under the Uniform Code of Military Justice if debt results from uncaring, foolish spending.

But debt doesn't have to be defeating. Beating bills and paying back IOUs begins with a desire to be debt-free and the willingness to be responsible. Debt-consolidation loans and consumer credit counseling agencies can help consumers manage unruly debt.

A debt-consolidation loan transfers several debts into one, allowing for a single payment rather than several separate ones. Consumers should be careful shopping for debt-consolidation loans, since interest rates are traditionally higher unless the bor-

rower has significant collateral or can prove financial stability. Consumers should also be careful not to continue to use the paid-off credit cards — doing so would incur more debt, and the purpose of getting a consolidation loan is to get out of debt.

Credit-counseling agencies are located in every state. Most are nonprofit and can help consumers plan debt relief by working with both the client and creditors to whom the client is in debt. Counselors try to streamline consumers' monthly payments by asking credit agencies to decrease the consumer's monthly payment, reduce or stop interest, stop late fees and overdraft charges, and even to "re-age" past-due accounts to make them current. Creditors frequently honor such requests by credit counselors because they are working for the benefit of both the credit agency and the client.

The advantages of either of these pro-

grams depend on how deep a consumer's debt is and how severe the financial hardship may be. Consolidation loans do not necessarily decrease an individual's burden, since the lump payment tends to range somewhere around the original amount of previously scattered payments. On the other hand, credit counselors can help bring harassing, upsetting collection calls to a stop.

Soldiers can also contact the Consumer Affairs and Financial Assistance Offices on their installations for free advice and debt liquidation. Or they can help themselves by paying as much as possible toward large credit card balances to lower their interest fees, or switching to a credit card with a lower rate. Other options include getting rid of all but one or two credit cards, and thus eliminating some annual fees, and avoiding late-payment fees and over-the-credit-limit fees.

CREDIT REPORTS

What Do They Reveal About You?

ACCORDING to the Fair Credit Reporting Act, consumers are entitled to review their credit reports and should do so at least once a year to check accuracy. Reviewing credit reports in advance of seeking loans can also help speed up the approval time, especially for purchasing a car or home.

Credit reports contain more information than just a consumer's financial identity. They reflect such personal data as employment history and information reported by landlords, insurance companies, doctors and lawyers. Bankruptcy filings, lawsuits, court judgements, foreclosures, judgement liens, tax liens, and criminal arrest and convictions also appear on credit reports. Information can remain on a person's credit report for up to seven years.

According to the Center for Debt Management, 50 percent of credit reports contain inaccurate, outdated or misleading information.

Consumers who have been turned down for credit within the past 30 days are entitled to a free copy of the report used in evaluating their application. They also have the right to challenge reporting companies if they find mistakes in their reports.

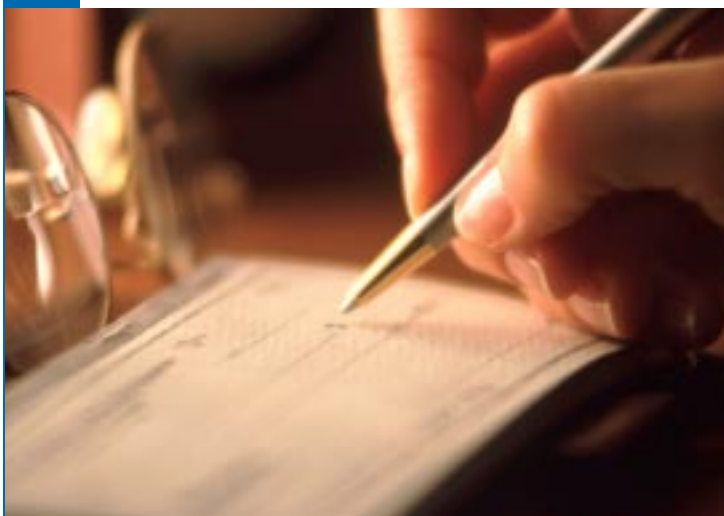
Soldiers should avoid companies that claim the ability to erase bad marks from a consumer's credit history or to create a new credit identity, which is illegal. Such companies cannot do anything for consumers that consumers cannot do themselves, and they often charge high rates before services have been delivered. The most reliable way to clean up credit history is to work with counselors in arranging a realistic repayment plan.

Credit reports are maintained by three credit bureaus. Since they do not share information, each bureau may list varying information. Consumers can order a copy of their credit reports, which usually cost less than \$10 per report, by writing to the following addresses or visiting their websites:

EXPERIAN NATIONAL CONSUMER
ASSISTANCE CENTER
P.O. Box 2014
Allen, TX 75013-2104
www.experian.com/experian_us.html

EQUIFAX INC.
P.O. Box 105496
Atlanta, GA 30348-5496
www.equifax.com

TRANS UNION LLC
Consumer Disclosure Center
P.O. Box 1000
Chester, PA 19022
www.transunion.com



Building a Nest Egg

HALF the battle of planning for the future is realizing goals. Is it to have \$20,000 in the bank in five years? Finish a degree? Start a family? Buy a new home? Retire as a millionaire? Each of these goals is achievable, but only through time and faithful saving.

There are four reasons for saving:

emergencies, reserve for periodic expenses, major purchases and retirement. A balance of each of these helps individuals prepare for short-term, mid-term and long-term goals.

Every bit counts and even small savings

Emergency funds should be easily accessible to meet sudden, unexpected expenses. It's safest to keep three to six months' worth of living expenses in this fund to offset such emergencies as unexpected auto or home repairs, or travel costs related to illness or death in the family. Reserve funds should also be easily accessible and contain enough money to cover such periodic expenses as insurance, holidays and taxes.

Saving for major purchases can be a mid- or long-term goal and is the best way to avoid using credit and building debt. Major purchases might range from new living-room furniture to home repairs. Putting money aside for the down payment on a car can also result in lower monthly payments. Consumers who take the time to save money for large purchases benefit doubly by having the opportunity to shop around for the best deal.

Retirement is the biggest reason for saving. The American Savings Education Council indicates that consumers will need about 70



The four reasons for saving: emergencies periodic expenses major purchases retirement

percent of their pre-retirement incomes in order to maintain their current standards of living after retirement. However, according to the 2000 Retirement Confidence Survey conducted by the Employee Benefit Research Institute, only about 26 percent of 1,000 randomly surveyed workers were confident of

or she is not covered by a pension plan at work. Roth IRAs allow \$2,000 nondeductible contributions per year for most people. Educational IRAs allow \$500 nondeductible contributions per year for beneficiary children under 18 who can later make tax-free deductions for qualified higher-education expenses.

Employer-run 401K plans are like IRAs. They use pretax dollars, and the contributions and earnings are taxed only

when withdrawn. Employees can choose to invest the account in mutual funds, stocks, bonds or in other ways.

Even if it's impossible to set aside the total amount of money needed to reach a goal, it's important to continue saving whatever amount is possible. Every bit counts and even small savings can build a comfortable nest egg over time.

A crucial part of financial planning is linking goals with specific savings plans, especially since different types of products work best for certain incomes, high or low toleration for risk and how much time one has to meet goals. Professional financial advisors can be helpful, but soldiers should find out up-front how the advisors expect to be compensated for their services or products.

can build a comfortable nest egg over time.

having enough money to live comfortably during retirement. The ASEC website at www.asec.org offers a worksheet to help individuals project how much money they should save each year to reach their retirement goals.

The reward of early, continual saving — whether it's \$10 or \$200 a month — is the growth of money through time and compounding. For example, one person saves \$2,000 a year at a 12 percent interest rate from age 22 to 27 then stops. Another person saves \$2,000 a year at the same interest rate from age 28 to 65. At age 65, the first person has accumulated \$1,348,440 and the second person has accumulated \$1,366,020. Although the difference at age 65 is \$17,580, the second person contributed \$76,000 while the first person contributed only \$12,000.

Individual Retirement Accounts are the most commonly used method for long-range saving plans. RAs are like savings accounts, and contributions may be tax-deductible based on the individual's gross income if he

Signs of Trouble

ALTHOUGH financial struggle might be considered inherent for everyone at one time or another, there are several signs that indicate soldiers and their families need to take stock of their economic situations. Sometimes, individuals simply have a lack of experience and need guidance in dealing with financial matters because the responsibility of supporting themselves and a family is new to them. Or perhaps the soldier's financial responsibility is bigger than his or her income.

The Consumer Affairs and Financial Assistance Program encourages customers to regularly review their budget to look for trouble spots and make improvements. Soldiers and their families may be on the border of long-term debt if they:

- delay or skip paying one bill to pay another;
- make frequent late payments;
- use savings to pay bills or meet routine needs;
- always pay the minimum due on credit cards;
- can't build a savings account;
- run out of money for such basic items as groceries;
- are unable to estimate their amount of debt;
- use cash advances for daily living;
- pawn valuables;
- illegally use a government credit card for personal purchases;
- write checks and make money machine transactions without including them in a check-book register; and
- have no money for small emergencies.

Leaders Helping Soldiers

FINANCIAL trouble can uncoil into stress, depression, family violence and even suicide. Consequentially, a soldier's financial situation can also effect individual and unit readiness, deployability, morale and retention. Army Regulation 600-15, "Indebtedness of Military Personnel," outlines soldiers' responsibility to pay debts. Since management of personal finances can be challenging, leaders should foster an environment that allows soldiers to talk openly about financial problems and to seek advice.












Leaders can give soldiers a sense of power over their financial futures by supportively suggesting they plan for the future and encouraging them to develop spending plans. They can tell soldiers that managing personal finances is an ongoing process that takes time and effort, and isn't always easy. The best time to help soldiers is before debt collectors start sending warning notices or before soldiers run out of money to pay for such essentials as food and rent.

The Consumer Affairs and Financial Assistance Program can help leaders educate soldiers about wise money habits. A good starting point for measuring a soldier's financial situation is to consider the local cost of living and the soldier's base pay. Letters of indebtedness, pleas for help buying necessities and frequent requests for Army Emergency Relief assistance are additional signs that a soldier is having trouble.

The Command Financial Specialist Program was also developed to give leaders flexibility in helping soldiers and to make unit members feel that it's OK to talk about money issues with supervisors. The program permits one financial specialist per unit, and the facilitator is a soldier trained by CAFAP experts to work one-on-one with soldiers to teach good money-management and consumer skills.

Commander's Checklist

TO help soldiers maintain financial independence and integrity commanders should:

-  **Inform** soldiers of their requirement to adequately manage their personal affairs and pay debts promptly. Explain that writing checks on an account that does not contain enough funds is considered a form of indebtedness.
-  **Ensure** that soldiers get counseling and advice upon entry into the unit, departure from the unit, upon self-referral, before deployment and upon letters of indebtedness from debt collectors.
-  **Encourage** soldiers to take advantage of CAFAP seminars on budget development, checking-account management, credit, debt management, and home and car buying.
-  **Be aware** of elements affecting soldiers' financial well-being, such as the local cost of living.
-  **Ensure confidentiality** of soldiers' financial records and referrals.
-  **Link soldiers with counselors** who can help them develop spending plans and resolve debts.
-  **Encouragingly facilitate** the progress of soldiers referred to CAFAP.
-  **Employ** the Command Financial Specialist Program so soldiers feel comfortable discussing money matters and have easy access to problem resolutions.
-  **Suggest** that soldiers seek the assistance of off-post counseling agencies if they feel embarrassed using on-post services.
-  **Encourage** soldiers to plan ahead for family separations, deployments, permanent moves and retirement.
-  **Emphasize** the importance of saving for the future over instant gratification.

Processing Debt Claims

CONSEQUENCES: Disciplinary & Administrative Action

THERE are several options for commanders to consider if a soldier makes no effort to resolve unpaid debts or if complaints of failure to pay debts are repetitively received. The Staff Judge Advocate Office can offer advice. Actions include:

- ☐ making the failure a matter of permanent record,
- ☐ denial of re-enlistment for enlisted personnel,
- ☐ administrative separation, and
- ☐ punishment under the Uniform Code of Military Justice.

COMMANDERS are charged with ensuring that their soldiers understand DA policy on indebtedness and the consequences of failing to pay their debts. According to Army Regulation 600-15, “Indebtedness of Military Personnel,” commanders must also ensure the proper processing of debt claims against soldiers as long as creditors abide by regulatory stipulations.

The Fair Debt Collection Practices Act outlines that creditors may not contact anyone other than the soldier or his or her legal representative for debt collection unless the creditor has signed consent from the soldier or a court order permitting contact.

If the creditor has met the requirements of AR 600-15, the commander should:

- ❖ Make the soldier aware of his or her rights under the Privacy Act. Have the soldier sign DA Form 4817-R, “Consent/Nonconsent to Disclosure of Personal Information.”
- ❖ Notify the soldier of the debt complaint. Explain Army policy on indebtedness and that administrative action can result.
- ❖ Inquire about the legitimacy of the complaint.
- ❖ Urge the soldier to seek budget counseling and consumer-protection advice if necessary, referring him or her to the Consumer Affairs and Financial Assistance Program or the Legal Assistance Office.
- ❖ Help the soldier settle the debt.
- ❖ Have the soldier sign a statement allowing or forbidding release of information to the claimant.
- ❖ Ask the soldier about his or her intentions and offer the chance to furnish a voluntarily signed statement admitting or denying the complaint or declining to do either.
- ❖ Advise the claimant that the soldier has been informed of the complaint and summarize the soldier’s intentions if he or she allows release of the information.
- ❖ Keep a case file with signed statements and information.
- ❖ Monitor actions to ensure promises made to the claimant are being met.
- ❖ Consider administrative or punitive action if proper.



**Army Regulation 600-15,
“Indebtedness of
Military Personnel” —**

Outlines DA policy on indebtedness, soldiers’ responsibilities to sufficiently manage financial affairs and commanders’ procedures for debt processing. Also includes format letters to creditors and formats for full disclosure information.

Consumer Affairs and Financial Assistance

Program — Army Community Service is responsible for the overall management of the CAFAP. Education services include budget planning, banking, credit, debt management, debt liquidation, consumer laws and rights, and preparing for deployments or permanent moves. Located at installations throughout the world. Some installation home pages also provide links to helpful consumer websites.

www.consumer.gov — A federal resource that has spotlights on food, product

safety, health, home and community, money, transportation, children, education and technology.

www.ftc.gov/bcp/conline/pubs/credit/crdtdis.htm — Outlines the process of disputing credit-report errors and provides a sample dispute letter.

www.ftc.gov/ftc/consumer.htm — Offers links to a wide range of financial information, from consumer alerts issued by the Federal Trade Commission to product ratings. Topics include automobiles, credit, identity theft, investments and telemarketing. Tips for online shopping are available under “consumer advocacy.”

Mailing lists — Soldiers can stop credit card offers received through the mail by calling (888) 567-8688. To avoid getting on new junk-mail lists, pay cash. To get off current junk-mail lists, write to: DMA Mail Preference Service, P.O. Box 9008, Farmingdale, NY 11735-9008. Include all the variations of name spellings that appear on mail labels.

More helpful sites

Free or low-cost credit and budget counseling is available via telephone, mail and Internet through the following companies: Debt Counselors of America, **www.dca.org**; Money Management International, **www.moneymanagementbymail.org**; and National Credit Counseling Services, **www.nccs.org**.

HOT TOPICS

CURRENT ISSUES FOR ARMY LEADERS

Leaders Can Make a Difference

SAVING for the future takes discipline and patience, no matter how humble or lofty one's goals. Having already faced the financial hardships of starting a family and establishing a home, leaders can share encouraging information to help soldiers understand that saving is a lifelong experience that is both rewarding and smart. Keep an open dialogue with soldiers about their financial situations and share these suggestions:

- ◎ Always set money aside for savings and put it into an interest-earning account. The longer it sits, the larger it will grow — even if it's only \$25 a month.
- ◎ Put loose change in a jar instead of spending it. A few coins a day can add up to \$100 or more in six months.
- ◎ Scrimp on everything for one month. Save what isn't spent.
- ◎ Remember that “want” doesn't mean “need.” Before buying, ask such questions as “How much will I want this item next week?” and “Will I have to buy something to replace it in the near future?”
- ◎ Take advantage of such military benefits as the commissary, post exchange, thrift shop, tuition assistance, health care, recreation centers and movie theaters.
- ◎ Use the Consumer Affairs and Financial Assistance Program. CAFAP counselors can help soldiers make wise choices and offer information about local businesses.
- ◎ Use Consumer Reports. It provides ratings on products and consumer services, and announces product recalls. Consumer Reports is available in most libraries and can be accessed online at www.consumerreports.org.

BOTTOM LINE

Your financial future depends on today.